Revival package of NTC (APKK&M)

2334. SHRI N. K. PREMACHANDRAN: Will the Minister of TEXTILES be pleased to state:

(a) the main features of the revival packag of NTC (APKK&M) subsidiary company accepted by the BIFR;

(b) the stage of implementation of the revival orders of BIFR in respect of NTC (APKK&M);

(c) whether there is any delay in the implementation of the said scheme;

(d) if so, the reasons therefor;

(e) whether there is any proposal to revise the wages of NTC workers whose wage revision has not taken place in 1987 and 1993; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASAN GOUDA R. PATIL): (a) The BIFR has approved Revival Scheme for NTC (APKK&M) consisting of reviving viable mills and closure of 6 unviable mills at an estimated cost of Rs.390.50 crores. The Scheme provides for payment of VRS (to surplus employees), paying statutory dues, One Time Settlement (OTS) with secured creditors and modernisation of viable mills. Resources for the Scheme would be generated largely through sale of surplus assets. The implementation period for the Scheme is two years starting from 2002-03.

(b) to (d) Implementation of the Scheme has already begun by offering VRS to employees in 5 unviable mills and settling the dues of secured creditors. Preparations for implementing the other components of the Scheme are going on and there is no delay.

(e) and (f) Enhanced compensation in lieu of non-revision of wages (where they were not revised since1987/1992) has already been provided for in the modified VRS and made applicable for unviable mills proposed for closure. In the viable mills proposed for revival, since increase in cost of production would adversely affect their revivability, Workers Unions have entered in to an MoU with Management not to seek revision of wages during the 2-year Implementation period.